



**Wealth Logic, LLC**  
Registered Investment Advisor

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[www.DareToBeDull.com](http://www.DareToBeDull.com)

**Form ADV Part 2A and 2B**

**Firm Brochure – Combined**

**May 15, 2017**

This brochure provides information about the qualifications and business practices of Wealth Logic, LLC and Allan Roth. If you have any questions about the content of this advisory brochure, please contact Allan Roth by telephone at (719) 955-1001.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or any state securities administrator. Additional information about Wealth Logic, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's CRD number, which is 129599.

While the firm and its associates may be registered and/or licensed in a particular jurisdiction, that registration and/or licensing in itself does not imply an endorsement by any regulatory authority, nor does it imply a certain level of skill or training on the part of the firm or its associated personnel.

## **Item 2 – Material Changes**

The firm has updated this brochure from the previous version dated December 15, 2014 to reflect a new address – 31 N. Tejon Street, Ste. 306, Colorado Springs, CO 80903. The firm’s disclosures throughout this brochure have been modified; we encourage you to read the document in its entirety. The firm’s hourly structure and not benefiting from recommendations remains the same.

For future filings this section of the brochure may address only those material changes that have occurred since the firm’s last annual update.

The firm may at any time update this document and either send a copy of its updated brochure or provide a summary of material changes to its brochure and an offer to send an electronic or hard copy form of the updated brochure. Clients are also able to download this brochure from the SEC’s Website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or may contact our firm at (719) 955-1001 to request a copy at any time.

### **Important Information**

Throughout this document Wealth Logic, LLC shall also be referred to as “Wealth Logic,” “the firm,” “our,” “we” or “us.” These terms are utilized for the reader’s ease of use while reviewing the brochure and are not meant to imply the firm is larger than it actually may be at the time of publication. The client or prospective client may be also referred to as “you,” “your,” etc., and refers to a client engagement involving a single *person* as well as two or more *persons*. The term “advisor” and “adviser” are used interchangeably where accuracy in identification is necessary (URLs, etc.)

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## **Item 4 - Advisory Business**

### **Description of the Firm**

Wealth Logic, LLC is a Colorado domiciled limited liability company formed in 2004. We are not a subsidiary of, nor do we control another financial services industry entity. In addition to our 2004 registration as an investment advisor in the State of Colorado, our firm and its associates may register or meet certain exemptions to registration and/or licensing in other jurisdictions in which we conduct investment advisory business.

Allan Roth is the firm's Founder, Managing Member and Chief Compliance Officer (supervisor), as well as the sole shareholder. Additional information about Mr. Roth may be found in Item 19 of this brochure, as well as in the incorporated Form ADV Part 2B brochure supplement found at the end of this document.

### **Description of Advisory Services Offered**

Mr. Roth will conduct a complimentary initial interview with each prospective client after he receives a confidential profile, which can be found on the firm's web site – DareToBeDull.com. If the prospective client is interested in engaging the firm for its services, the firm will then provide a current Form ADV Part 2A/2B combined firm brochure that includes our privacy policy.

Before we provide advisory services, we must first enter into a written agreement with each client. Thereafter, discussion and analysis will be conducted to determine financial needs, goals, holdings, etc. It is important that the information and/or financial statements you provide are accurate, as these form the basis of the advice we will provide you. Our firm may, but is not obligated to, verify the information provided, which will then be used in the advisory process.

Wealth Logic's services to clients are limited to advice on various subjects, tailored to each client's individual situation and obligations. We do not provide investment supervisory services, also known as investment management, portfolio management or asset management. We also do not participate in or sponsor a wrap-fee program. The firm does not profit in any other manner than the invoice sent to the client.

The client is responsible for implementing the investment recommendations made, and is always free to accept or decline any recommendation we make. Wealth Logic will assist in the implementation, if requested, and can make introductions to others at firms such as Fidelity and Vanguard, who can assist in moving assets and implementing recommendations, allowing Wealth Logic to keep its fees lower. More information about our investment philosophy and the types of investments we generally recommend is found in Item 8 of this brochure.

The firm generally provides services on an hourly basis, with advice focusing on the following three areas:

**1. Investment Advisory** – Re-engineering portfolios using efficient and effective products designed to lower fees and taxes.

- Portfolio construction to lower risk and increase expected returns.
- Portfolio simplification for ease of management.
- Redeployment of trapped underperforming assets (e.g. expensive variable annuities).
- Redeployment of cash to highest paying alternatives.

**2. Personal Financial Planning** – Developing actions to help achieve financial goals including achieving financial independence.

- Retirement planning strategies
- Cash and debt management.
- Risk management.
- College funding.
- Life transition planning.

**3. Business Planning** – Improving the business performance.

- Strategic Planning including early warning indicators.

- Employee benefits and incentive compensation.
- Focused cost reduction.
- Acquisitions and valuations.

### General Information

Wealth Logic does not provide legal, accounting or insurance services. Allan Roth is a licensed CPA<sup>1</sup> and the tax-efficiency of the portfolio is critical. With your consent, we may work with other professional advisors, such as an estate planning attorney and CPA, to assist with the coordination and implementation of accepted strategies. You should be aware that these other advisors will charge you separately for their services and these fees will be in addition to our own advisory fees.

Our firm will use its best judgment and good faith effort in rendering its services. Wealth Logic cannot warrant or guarantee the achievement of a planning goal or any particular level of account performance or that your account will be profitable over time. Past performance is not necessarily indicative of future results.

Except as may otherwise be provided by law, our firm will not be liable to the client, heirs, or assignees for any loss an account may suffer by reason of an investment decision made or other action taken or omitted by our firm with that degree of care, skill, prudence and diligence that a prudent person acting in a fiduciary capacity would use; any loss arising from our adherence to your direction or that of your legal agent; or any act or failure to act by a service provider maintaining an account.

Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith and, therefore, nothing contained in this document shall constitute a waiver of any rights that a client may have under federal and state securities laws.

### **Item 5 - Fees and Compensation**

Wealth Logic generally charges fees on an hourly basis, and occasionally on a fixed-fee basis. We do not charge based on a percentage of your assets, and we do not receive commissions of any kind. We believe this minimizes our conflicts of interest, because we cannot profit from the specific recommendations we make to you. Lower fees for comparable services may be available from other sources.

#### *Hourly Fees*

We may be engaged for advisory services under an hourly fee arrangement. The rate is \$450 per hour, billed in 6-minute increments. Prior to entering into an agreement with the firm you will receive an estimate of the overall cost based on your requirements and the time involved. The firm's hourly fee may occasionally be discounted at the sole discretion of Allan Roth.

If a firm collects \$500 or more and six months or more in advance, it is deemed to have custody of client funds. Wealth Logic does not collect ANY fees in advance.

#### *Fixed Fees*

Wealth Logic may occasionally enter into fixed-fee engagements. To date, this has been for work provided to endowments, or for expert witness services. Fixed-fee engagements are not offered for ordinary financial planning and investment consultation engagements. The fee takes into consideration factors such as the complexity and scope of the project, and typically ranges from \$1,800 to \$10,000; the fixed fee for unique engagements may, however, fall outside this typical range. The fixed fee will be determined in advance and disclosed on the client agreement.

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<sup>1</sup> Although Allan Roth is a licensed CPA, neither he nor the firm provides accounting services. Tax efficiency is a key part of the investment strategy and the firm will often work with the client's CPA in constructing the recommendations.

## **Negotiable Fees**

The services to be provided to you and their specific fees will be detailed in your engagement agreement with our firm. Our published fees are not negotiable; we may discount or waive fees at the sole discretion of the firm principal.

### Client Payment of Fees

We invoice clients directly for our fees; we do not withdraw fees from a client's investment account. The firm invoices clients on a monthly basis. Fees may be paid by check or teller's draft from US-based financial institutions, as well as automated payment through a qualified, unaffiliated third-party processor with your prior approval. We do not accept cash or similar forms of payment for our engagements, including educational workshops.

### Additional Client Fees

Any transactional or service fees (sometimes termed *brokerage fees*), individual retirement account fees, qualified retirement plan fees, account termination fees, or wire transfer fees will be borne by the account holder and per the separate fee schedule of your custodian of record.

Fees paid by our clients to our firm for our advisory services are separate from any of these fees or other similar charges. In addition, advisory fees for our firm's services are separate from any transactional charges a client may pay, as well as those for mutual funds, exchange-traded funds (ETFs), index mutual funds or other investments of this type.

Additional information about our fees in relationship to our brokerage practices is noted in Item 12 of this document.

### Termination of Services

Either party may terminate the agreement at any time by providing written notice to the other. Our firm will not be responsible for further services or advice upon receipt of a verbal or written termination notice. We will also not be responsible for closing your accounts with any custodian; should you wish to do so, you must communicate with the account custodian directly.

You have the legal right to terminate the engagement without penalty within five (5) business days after entering into the agreement. In addition, firm policy allows clients to cancel at any time and decline to pay an invoice; if you are unsatisfied with our services at any point, you may write "cancel" on an invoice and return it to the firm. This is not a money-back guarantee or an assurance of investment performance; no investment advisor can guarantee a client will be satisfied with how any investment will perform in the future. Once an invoice is paid, no refund will be made.

### External Compensation for the Sale of Securities to Clients

We do not charge or receive a commission or mark-up on your securities transactions, and neither the firm nor Allan Roth will be paid a commission on your purchase of securities that we recommend to you.

We do not receive "trailer" or SEC Rule 12b-1 fees from an investment company we may recommend for your portfolio. Fees charged by issuers are detailed in prospectuses or product descriptions and you are encouraged to read these documents before investing. We receive none of these fees or charges.

You will always have the option to purchase recommended or similar investments through your own selected service provider.

## **Item 6 - Performance-Based Fees and Side-By-Side Management**

Our firm's advisory fees will not be based on a share of capital gains or capital appreciation (growth) of any portion of your investments. Such performance based fees create a conflict of interest by giving an advisor an incentive to recommend investments that are more speculative than appropriate for your risk tolerance so that they may earn higher fees.

The term "side-by-side management" refers to the practice of simultaneously managing accounts that do pay performance-based fees (such as hedge funds) and those that do not. Our firm does not manage investment portfolios

and does not charge any performance-based fees, so there are no related disclosures to make regarding side-by-side management.

### **Item 7 - Types of Clients**

We typically provide advisory services to individuals and families, trusts and estates, foundations and charitable organizations, and businesses. We do not require minimum income, minimum asset levels or other similar preconditions, but the cost-effectiveness of the hourly model must be considered. Wealth Logic reserves the right to waive or reduce certain fees at the discretion of the firm principal. We also reserve the right to decline services to any prospective client for any non-discriminatory reason.

### **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

#### **Methods of Analysis and Investment Strategies**

##### **Method of Analysis**

When we are engaged to provide investment advice, we will first gather and consider several factors, including your:

- current financial situation and need
- interim and long-term goals and objectives
- level of investment knowledge
- tolerance or appetite for risk, as well as the need to take risk
- reasonable investment restrictions involving your portfolio

##### **Investment Strategy**

Minimizing expenses and emotion, and maximizing diversification and discipline, are core methods Wealth Logic applies in designing portfolios. Wealth Logic's philosophy is that the stock market is very risky and the individual's view of risk is not stable over time. The ascending science of Behavioral Finance is used as a cognitive tool for counseling clients on self-defeating investment habits and how to avoid them. This mission of convincing clients to avoid the excitement and expenses that comes from chasing hot performing investments is best summed up in the firm's trademarked slogan "dare to be dull."

##### **Investment Vehicles Generally Recommended**

We typically recommend portfolios that contain investment vehicles considered diversified, tax-efficient and low-cost whenever practical. Broad index funds of mutual fund and ETF categories are those most often used in the practice, as well as Bank and Credit Union CDs going directly to those institutions whose deposit products are insured by the FDIC or NCUA. Portfolios are constructed with vehicles and assets that are located to increase the after-tax returns for clients.

We may recommend an investor retain individual stocks, bonds, and other pre-existing holdings, when appropriate due to tax consequences or fees to terminate, but we typically do not provide recommendations regarding the purchase of individual stocks. We will discuss with you how, in our best judgment, to meet your objectives while at the same time seeking a prudent level of risk exposure.

#### **Investment Strategy and Method of Analysis Material Risks**

The firm believes its strategies and investment recommendations are designed to produce the appropriate potential return for the given level of risk. However, we cannot guarantee that an investment objective or planning goal will be achieved. As an investor you must be able to bear the risk of loss that is associated with your account, which may include the loss of some or all of the principal invested. Examples of risk include company risk, financial risk, inflation risk, management risk, and market risk.

### ***Passive Investing***

A portfolio that employs a passive, efficient market approach (representative of "index investing") will not take defensive measures such as moving out of investments. In addition, the goal of passive or index investing is to deliver as close as possible to benchmark returns, which the firm believes few achieve.

### ***ETF and Mutual Fund Risks***

The risk of owning ETF and mutual funds reflect the risk of their underlying securities (e.g., stocks, bonds, etc.). ETFs and mutual funds also carry additional expenses based on their share of operating expenses and certain brokerage fees. Wealth Logic generally recommends owning the broadest funds at the lowest costs (minimizing expenses and maximizing diversification).

We do not recommend leveraged or inverse ETFs, which involve greater risk.

### ***Fixed Income Risks***

Various forms of fixed income instruments, such as bonds, money market funds, bond funds, and certificates of deposit, may be affected by various forms of risk, including credit risk, duration risk, interest rate risk, liquidity risk, and reinvestment risk. Wealth Logic's philosophy is to take risk with equities and have fixed income be held in very high credit quality bonds or CDs.

### ***Index Investing***

Strategies involving index investing have the potential to be affected by "active risk" (*aka* "tracking error risk"); or a deviation from a benchmark. Since the core portfolio attempts to closely replicate a stated benchmark, the source of the tracking error or deviation may come from a satellite portfolio or position, or from a "sample" or "optimized" index fund or ETF that may not as closely align the benchmark. Wealth Logic generally recommends very large index funds that have had minimal tracking error.

### ***Failure to Implement***

As a financial planning client, we will work together to develop parameters so that the specific recommendations will be acceptable to you, such as how much in taxes you are willing to pay to get to a more efficient portfolio. Implementation is the most important part of the plan. Clients who choose not to take the steps recommended in their financial plan may face an increased risk that their stated goals and objectives will not be achieved. Wealth Logic can assist in the implementation as well as provide introductions to those who can help the client implement without paying the hourly fee.

### **Item 9 - Disciplinary Information**

Neither the firm nor its management has been involved in a material criminal or civil action in a domestic, foreign or military jurisdiction, an administrative enforcement action, or self-regulatory organization proceeding that would reflect poorly upon our offering advisory business or its integrity.

### **Item 10 - Other Financial Industry Activities and Affiliations**

Firm policies require associated persons to conduct business activities in a manner that avoids conflicts of interest between the firm and its clients, or that may be contrary to law. Wealth Logic will provide disclosure to each client prior to and throughout the term of an engagement regarding any conflicts of interest involving its business relationships that might reasonably compromise its impartiality or independence.



## Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Neither our firm, management, nor an associate is registered or has an application pending to register as a Financial Industry Regulatory Authority (FINRA) or National Futures Association (NFA) member firm, nor are we required to be registered with such entities.

In addition, neither our firm nor its management is or has a material relationship with any of the following types of entities:

- bank, credit union or thrift institution
- insurance company or agency
- lawyer or law firm
- pension consultant
- real estate broker or dealer
- sponsor or syndicator of limited partnerships
- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)

Upon your request, you may be provided a referral to various professionals, such as an attorney. While these referrals are based on the best information made available, the firm does not guarantee the quality or adequacy of the work provided by these referred professionals. There is not an agreement with these entities nor are referral fees received from these professionals for such informal referrals. Any fees charged by these other entities for their services are completely separate from fees charged by our firm.

Allan Roth is engaged as a writer for various publications, and may be engaged for teaching services and speaking engagements. Additional information involving his outside business activities may be found in the Form ADV Part 2B Brochure Supplement at the end of this document.

## **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Wealth Logic holds itself to a *fiduciary standard*, which means the firm and its associates will act in the utmost good faith, performing in a manner believed to be in the best interest of its clients. Our firm believes that business methodologies, ethics rules, and adopted policies are designed to minimize potential material conflicts of interest and to appropriately manage any material conflicts of interest that may remain. You should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest. Our firm will disclose to its advisory clients via the Form ADV Part 2 Brochure any material conflict of interest relating to the firm, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice. Allan Roth has been publicly critical of how little the [fiduciary standard](#) means in the financial services industry.

### Code of Ethics Description

We have adopted a Code of Ethics that establishes policies for ethical conduct for our personnel. Our firm accepts the obligation not only to comply with all applicable laws and regulations but also to act in an ethical and professionally responsible manner in all professional services and activities. Firm policies include prohibitions against insider trading, circulation of industry rumors, and certain political contributions, among others.

Wealth Logic periodically reviews and amends its Code of Ethics to ensure that it remains current, and requires firm personnel to annually attest to their understanding of and adherence to the firm’s Code of Ethics. A copy of the firm’s Code of Ethics is made available to any client or prospective client upon request.

### About our Privacy Policy

We respect the privacy of all clients and prospective clients (collectively termed “customers”), both past and present. It is recognized that you have entrusted our firm with non-public personal information and it is important that both access persons and customers are aware of firm policy concerning what may be done with that information.

The firm collects personal information about customers from the following sources:

- Information clients provide to complete their financial plan or investment recommendation;
- Information clients provide in engagement agreements and other documents completed in connection with the opening and maintenance of an account;
- Information customers provide verbally; and
- Information received from service providers, such as custodians, about client transactions.

The firm does not disclose any information about our clients to anyone, except in the following circumstances:

- When required to provide services our clients have requested;
- When our customers have specifically authorized us to do so;
- When required during the course of a firm assessment (i.e., independent audit); or
- When permitted or required by law (i.e., periodic regulatory examination).

Within the firm, access to customer information is restricted to personnel that need to know that information. All access persons and service providers understand that everything handled in firm offices is confidential. They are instructed not to discuss customer information with anyone else that may request information about an account unless they are specifically authorized by the customer in writing to do so. This includes, for example, providing information about a spouse's IRA account or to adult children about parents' accounts, etc.

To ensure security and confidentiality, the firm maintains physical, electronic, and procedural safeguards to protect the privacy of customer information. The firm will provide you with its privacy policy on an annual basis per federal law and at any time, in advance, if firm privacy policies are expected to change.

#### Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither the firm nor an associate is authorized to recommend to a client, or effect a transaction for a client, involving any security in which the firm or a "related person" (e.g., associate, an immediate family member, etc.) has a material financial interest, such as in the capacity as a board member, underwriter or advisor to an issuer of securities, etc.

An associate is prohibited from borrowing from or lending to a client unless the client is an approved financial institution.

We want to note that you are under no obligation to act on any recommendation from our firm and, if you elect to do so, you are under no obligation to complete it through our firm or a service provider whom we may recommend.

#### Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Wealth Logic does not trade for its own account (e.g., proprietary trading). The firm's related persons may buy or sell securities that are the same as, similar to, or different from, those recommended to clients for their accounts, and this is a conflict of interest. A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client; clients often have different objectives and risk tolerances. We mitigate this conflict of interest by following policies and procedures to ensure that the firm or a related person do not at any time receive preferential treatment over a client.

In an effort to reduce or eliminate certain conflicts of interest involving personal trading (i.e., trading ahead of client recommendation, etc.), firm policy may require that we periodically restrict or prohibit related parties' transactions.

Any exceptions must be approved by the firm, and we will maintain personal securities transaction records as required.

## **Item 12 - Brokerage Practices**

### **Factors Used to Select Broker/Dealers for Client Transactions**

Wealth Logic does not maintain physical custody of your assets (see Item 15). If you have an investment account, it must be maintained by a qualified custodian, such as a broker/dealer, bank or trust company. Our firm is not a custodian, and we do not have any legal affiliate that is a custodian.

### **Best Execution**

In light of the nature of its advisory services, which do not include investment management services, the firm believes we are not obligated to conduct “best execution” assessments of client transactions under current guidelines. Index mutual funds trade at net asset value (NAV) and have no execution costs. If using ETFs, Wealth Logic selects ETFs in part to minimize bid-ask spreads or premiums and discounts.

### **Directed Brokerage**

Wealth Logic does not engage in directed brokerage involving any of its accounts. Due to the nature of the firm’s advisory services, each client is free to use any particular service provider to execute some or all of their transactions for his or her account. In these circumstances, the client will be responsible for negotiating the terms and/or arrangements for their account, and Wealth Logic will not be obligated to conduct due diligence, seek better execution services or prices from these broker/dealers, or aggregate client transactions for execution.

### **Aggregating Securities Transactions**

Our firm does not provide investment management services; therefore, we do not have the ability to aggregate or “batch” trades in an effort to obtain discounted transaction costs. Individually executed trades may be subject to higher transaction costs than trades that are completed on an aggregated basis.

### **Referral Payments and Soft Dollar Arrangements**

All compensation paid to Wealth Logic is in the form of advisory fees from clients. We are not paid referral fees and do not receive non-cash compensation – sometimes called “soft dollars” – from custodians or other service providers to which we may refer our clients.

## **Item 13 - Review of Accounts**

Wealth Logic does not provide periodic reviews unless requested. The goal is to give the client rules for rebalancing going forward to manage risk and eliminate the need to keep paying fees.

If you do request a review, it will be conducted by Allan Roth, and normally involve analysis (especially tax analysis) and possible revision of your previous financial plan or investment allocation. A copy of revised plans or asset allocation reports will be provided to the client.

You may consider contacting our firm for an additional review when you anticipate or have experienced changes in your financial situation (i.e., employment or marital status, inheritance, the birth of a new child, etc.).

Non-periodic reviews are conducted by Allan Roth and may occur under a new or amended agreement unless previously engaged in writing, and will be billed in keeping with our published fee rates. A copy of revised plans or recommendations will be provided to the client.

### **Content of Client Provided Reports and Frequency**

Depending on the scope of your financial planning engagement, we will generally provide a written financial plan or other written report summarizing your objectives and our recommendations; this report may be narrowly focused or broad-based, in accordance with the advice for which you engaged the firm.

You will receive account statements sent directly from mutual fund companies, transfer agents, custodians or brokerage companies where your investments are held. We urge you to carefully review these account statements for accuracy and clarity, and to ask questions when something is not clear.

Our firm may provide portfolio “snapshots” if we are engaged to provide periodic asset allocation or investment advice. However, we do not provide ongoing performance reporting under our financial planning engagements. Clients are urged to carefully review and compare account statements that they have received directly from their custodian of record with any report they may receive from our firm.

#### **Item 14 - Client Referrals and Other Compensation**

The firm does not pay for inbound client referrals, and does not receive payment for referrals to other entities. We also do not engage in solicitation activities as defined by statute. Neither the firm nor Mr. Roth receives economic benefit from non-clients for providing investment advisory services to clients.

#### **Item 15 - Custody**

Wealth Logic does not take custody of client funds or securities. Your assets will be maintained by an unaffiliated, qualified custodian, such as a bank or broker/dealer, mutual fund company or transfer agent. Your assets are not held by our firm or any associate of our firm. In keeping with this policy involving our client funds or securities, Wealth Logic:

- Restricts the firm or an associate from serving as trustee or having general power of attorney over a client account;
- Prohibits any associate from having authority to directly withdraw securities or cash assets from a client account;
- Does not accept or forward client securities (i.e., stock certificates) erroneously delivered to our firm; and
- Will not authorize an associate to have knowledge of a client’s account access information (i.e., online 401(k), brokerage or bank accounts) if such access would allow physical control over account assets.

Clients will be provided with investment account transaction confirmations and account statements sent directly to them by their custodian of record. Typically statements are provided on at least a quarterly basis or as transactions occur within their account. Clients should review all account statements, trade confirmations and other materials received from their account custodian. Wealth Logic will not create an account statement for a client or serve as the sole recipient of an account statement.

Should you receive any report from our advisory firm that includes investment performance information, you are urged to carefully review and compare it to your account statements that you have received directly from your custodian of record.

#### **Item 16 - Investment Discretion**

Wealth Logic does not provide continuous investment management or investment supervisory services, nor do we engage in discretionary trading within a client account. The client maintains complete discretion over his or her account, investment decisions, and transactions at all times. The client retains sole responsibility for financial decisions, and is under no obligation to follow, either wholly or in part, any recommendation or suggestion provided by our firm.

#### **Item 17 - Voting Client Securities**

You may periodically receive proxies or other similar solicitations sent directly from your selected custodian or transfer agent.

Our firm does not vote proxies on your behalf nor do we offer guidance on how to vote proxies. In addition, we will not offer guidance involving any claim or potential claim in any bankruptcy proceeding, class action securities litigation or other litigation or proceeding relating to securities held at any time in a client account, including, without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise or monitor class action or other litigation involving client assets. However, we will answer limited questions with respect to what a proxy voting request or other corporate matter may be and how to reach the issuer or their legal representative.

You will maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities that are beneficially owned by you shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers or other legal matters or events pertaining to your holdings. You should consider contacting the issuer or your legal counsel involving specific questions you may have with respect to a particular proxy solicitation or corporate action.

## **Item 18 - Financial Information**

### **Balance Sheet**

Neither Wealth Logic nor Allan Roth serves as general partner for a partnership or trustee for a trust in which the firm's advisory clients are either partners of the partnership or beneficiaries of the trust.

Due to the nature of our firm's advisory services and operational practices, an audited balance sheet is not required nor included in this brochure. At no time will you ever advance any money to Wealth Logic.

### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

The firm and its management do not have a financial condition likely to impair our ability to meet commitments to our clients.

### **Bankruptcy Petitions during the Past 10 Years**

The firm and its management have never been the subject of a bankruptcy petition.

## **Item 19 - Requirements for State-Registered Advisers**

Neither the firm nor Mr. Roth has a relationship or arrangement with any issuer of securities.

Please see the accompanying Form ADV Part 2B brochure supplement immediately following this page for information involving principal executive personnel.

# **Wealth Logic, LLC**

## **Allan Roth, CPA, CFP®**

Founder, Managing Member, Investment Advisor Representative, Chief Compliance Officer

### **Form ADV Part 2B Advisory Personnel Brochure Supplement December 15, 2014**

**This brochure supplement provides information about Allan Roth that supplements the Wealth Logic, LLC Form ADV Part 2A brochure. Please contact Allan Roth at (719) 955-1001 if you did not receive the full brochure or if you have any questions about the contents of the brochure or this supplement.**

**Additional information about Allan Roth (Individual CRD Number: 4751530) is available on the Securities and Exchange Commission's (SEC) website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**



#### **Allan Roth Bio**

Allan is an experienced professional in portfolio construction and performance benchmarking. He has been quoted in such publications as The Wall Street Journal, Money Magazine, The New York Times and Dow Jones MarketWatch, and appeared on numerous TV and radio shows.

Allan is the founder of Wealth Logic, LLC. An hourly based financial planning and investment advisory firm. He has been working in the investment world with 25 years of corporate finance. Allan has served as corporate finance officer of two multi-billion dollar companies, and consulted with many others while at McKinsey & Company.

Allan takes pride in being mocked on a semi-regular basis by some financial professionals for his hourly fee model and its obvious inability to make him rich. He is also the author of *How A Second Grader Beats Wall Street* (Wiley & Sons in 2009 and 2011) and writes for various financial publications. Allan has taught behavioral finance at the University of Denver and has been an adjunct faculty member at Colorado College and the University of Colorado at Colorado Springs. He currently teaches investing and behavioral finance for continuing education credits to CFPs, CPAs, and attorneys.

Despite the many credentials (CFP, CPA, MBA) he has earned, Allan claims he can still keep investing simple. His professional goal is to never be confused with Jim Cramer.

**Year of Birth:** 1957

**Formal Education after High School**

B.S. - University of Colorado, Magna Cum Laude  
MBA - Northwestern University (Kellogg)  
Executive Program - Stanford University Graduate School of Business

**Professional Designations**

Certified Financial Planner™ Professional (CFP®)  
Certified Public Accountant (CPA)

**Business Experience**

Wealth Logic, LLC (2004-Present)  
Colorado Springs, CO  
Managing Member/Founder/Chief Compliance Officer (Supervisor)/Investment Advisor Representative

Allan Roth & CO, LLC (2000-2004)  
Aspen & Colorado Springs, CO  
Management Consultant, Principal

Configuresoft (2001-2003)  
Woodland Park, CO  
Chief Financial Officer

Gulfco, LTD (1999)  
Aspen, CO  
Chief Financial Officer

WellPoint Health Networks (1997-1998)  
Woodland Hills, CA  
Corporate Finance Officer

Kaiser Foundation Health Plan (1992-1997)  
Oakland, CA and Rockville, MD  
Corporate Director of Financial Planning and Regional CFO

McKinsey & Co. (1988-1992)  
Atlanta, GA  
Management Consultant

**Requirements for State Registered Advisors: Disciplinary Information**

Registered investment advisers are required to disclose certain material facts regarding any legal or disciplinary events that would be material to your evaluation of each officer or a supervised person providing investment advice.

Allan Roth has **not** been the subject of an award or otherwise found liable in an arbitration claim or civil, self-regulatory organization or administrative proceeding involving an investment or investment-related business or activity; fraud, false statement(s) or omissions; theft, embezzlement or other wrongful taking of property; bribery, forgery, counterfeiting or extortion; or dishonest, unfair or unethical practices. He has also never been the subject of a bankruptcy petition.

## **Other Business Activities**

Allan Roth is not registered, nor has an application pending to register, as a registered representative of a broker/dealer or associated person of a futures commission merchant, commodity pool operator, or commodity trading advisor. Therefore, he does not receive commissions, bonuses or other compensation based on the sale of securities, including that as a registered representative of a broker/dealer or the distribution or service ("trail") fees from the sale of mutual funds.

As described in Item 10 of the Form ADV Part 2A, Allan Roth is engaged for professional writing services to various print publications, as well as teaching and conducting speaking engagements. There is no legal affiliation relationship between any such entity and Wealth Logic. These activities account for approximately 20 percent of Allan Roth's time, and we believe neither the time involved nor the activity itself poses a material conflict that would affect the firm's ability to fulfill its duties to its own clients as he is not paid to recommend any investment vehicle or strategy. We believe these activities contribute to better financial planning though research required for these activities.

Neither Allan Roth nor the firm has another reportable material relationship with an issuer of a security.

## **Additional Compensation**

Neither our advisory firm nor Allan Roth is compensated for advisory services involving performance-based fees. In addition, firm policy does not allow associated persons to accept or receive additional economic benefit, such as sales awards or other prizes, for providing advisory services to firm clients.

## **Supervision**

Allan Roth serves as the firm's investment advisor representative as well as its Chief Compliance Officer. Because supervising one's self poses a conflict of interest, the firm has adopted policies and procedures to mitigate this conflict, and may use the services of unaffiliated professionals to ensure the firm's oversight obligations are met. Allan Roth was born in 1957.

## **Information about Professional Designations**

The **CERTIFIED FINANCIAL PLANNER™**, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 69,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

**Education** – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

**Examination** – Pass the comprehensive CFP® Certification Examination. The examination includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

**Experience** – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

**Ethics** – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

**Continuing Education** – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and



Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification. As previously noted, Allan Roth has been critical of the enforcement of such conduct.

**Certified Public Accountants (CPAs)** are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination.

In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous *Code of Professional Conduct* which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's *Code of Professional Conduct* within their state accountancy laws or have created their own.